G. R. S. 59] p 49 GPB—15,000—22-7-14

GENERAL AND REVENUE SECRETARIAT.

Preserve
~~Destroy~~

1913-14
(G. R.)

File No. 67 of 13

Serial Nos. 45, 92, 97, 98
V 154 A

Papers Filed.

Month Dec^r 1913

SUBJECT.

Suggestions of D. J. Padshash, Esq. of messrs Tata Sons & Co of Bombay regarding the development of the silk industry in the State & starting other industries

PREVIOUS REFERENCES.	LATER REFERENCES.

SR 26/11

G.R.S. 11] 191 3 14

GENERAL AND REVENUE SECRETARIAT.

(. .)

NOTES.

G.R. File No. 57

FILE HEADING.

Industries Branch etc

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First Sheet.

GPB—35,000—15-6-12

D. C. No 2607

HASELMERE,
WINTER ROAD,
MALABAR HILL,
BOMBAY 16 July 1913

(1)

Dear Mr. Visvesvaraya,-

In Mysore you said I could tell my principals that you would undertake to raise half the Capital and bring the electrical power to the site at a favorable rate if they would undertake to start a sick mill between Bangalore and Mahalli, also that they could bring out the necessary expert for

preliminary investigation
at the expense of your
Government.

Mr Padshah says he
would like to establish
such relations with
your State and would
be glad if you could
make him the offer
officially giving him
a year or two to work
the matter up.

With kind regards
Yours sincerely.
Harry P. Gibbs

Jo. No. 17
G.2

(3)

(1) The accompanying letter dated 16th July, from Mr. H.P. Gibbs, Bombay, is circulated to the Councillors, for perusal.

(2) I had spoken to Mr. Gibbs about a Silk mill for Mysore. I do not think that for a number of years to come, there will be enterprise enough in the State for starting a mill without outside help. Messrs. Tata and Co. are Managers of several mills in Bombay and Central India and are likely to help us. I do not think, however, they are managing any silk mills at present in India, but if any firm has resources in India for developing new enterprises, Messrs Tata and Sons have them. If the investigations are begun now, it may take a year or more before any definite step forward would be possible. We might incur some small expenditure in the preliminary stage for commencing investigation. Before committing ourselves to any expenditure, we might obtain rough estimates.

(3) This would be a fitting corollary to our efforts to develop silk production which the Agricultural Committee have under consideration and, for which purpose, Government propose to employ an Italian Expert temporarily.

(4) It is stated that, in the past, the yearly value of silk produced in the State had reached a crore of rupees. It would pay any Government to incur expend ture to afford facilities to an industry

of

of such magnitude and such future promise. In fact Government would not be doing their duty, if they did not foster its growth.

(5) I shall be glad to be favoured with the views of the Councillors on the general merits of the proposal to start investigations. As stated already it is not proposed to incur any expenditure without full previous consideration.

31.7.13 RC

(6) It will be an excellent thing for Mysore if we ~~can~~ start a Silk-mill. He rejoiced - is well worth a thorough investigation & any cost incurred in this behalf is justifiable.

Second Councillor. 1/8

First Councillor.

(7) I regret I am unable to give any opinion unless I have some idea of the expense proposed to be incurred and the obligations we are to incur by any promise.

(8) On the letter of Mr. Gibbs, I think the only fair reply that Mysore Sate Could expect is a promise of Sympathetic Consideration of practical proposals. I think it premature to have another expert paid by the State. We may well await the results of the Italian Expert's work.

3/8/13

(10)

arrived in the State that had time to report on the present condition of things and the prospects of improvement. It must be remembered that after spending a very considerable sum of money on the Tata Silk Farm at Bangalore the firm of Tata Sons gave the matter up as a bad job & handed over the farm to the Salvation Army. Nothing has occurred since then to render it likely that they will take up the silk question again. Mr Bilimoria told me that they had their hands so full that they had no intention in the immediate future of embarking on fresh enterprises. No doubt they would be prepared to bring out an expert at the expense of the Mysore Govt. but the Mysore Govt could do that equally well without incurring any obligations to Messrs Tata Sons which would tie their hands in the future. If the Mysore Govt. provide adequate funds for developing the work of the Italian expert the results should be of a highly satisfactory character and there will then probably be but little difficulty in finding Capital for a spinning mill

Yours Chatterton

(12) Sub[d] to Decorum

CSS
9/8/23

or it is worth while
spending some money
to investigate the possibility
of starting a silk mill

Yours sincerely
Peter D Zimmerman

(13) to (10)

25.8.13

Dear Mr. Balasundram

Sir

I send herewith the file you left with me the other day regarding the offer of Mr. Gibbs & Co. a silk Export. The Dewan desire that a draft may be sent of accepting the offer

General and Revenue Secretariat.

File No. [illegible] of 1913 — [illegible]

Serial No.	
	27/8/13 (18) Vidyadeai D'Souza, Herewith a draft reply. Yours sincerely A Balasundaram 27/8 (15) Draft approved below - (16) Issue SD. 1/9/13
45	Letter No. G 209; dated 2nd Sept 1913 to J. Patrick by Asst, C/o Messrs. Tata Sons & Co, Nowrosji Buildings, Fort, Bombay ——— Addresses him on the subject of starting a silk mill in Mysore and requests him to furnish detailed information on certain points.
42	Letter dated 3rd Sept 1913 [illegible]

Ans

NOTE—Contn. sheet.

R. S. 12]

General and Revenue Secretariat.

G. M. File No. 67 of 1913-13

(8)

Serial No.	
946	J. Padshah is furnishing the information required in the above. (17) Subd with file. SM 25-10-13 BR (18) Secy) SPR 27/10
97	Letter dated 3rd Oct 1913 from the Proprietor of the Basis Branch of Messrs Tata Sons & Co —— makes mention of an interview with Mr. C. R. Reddy of this State and offers certain suggestions re: the development of the industries of silk-reeling, paper making and the extraction of oil from sandal wood in the State.
98	Letter dated 6th Oct 1913 from the same gentleman — Recommends in continuation of the above, the appt of one Mr. Emile Jarrail, now in Roumania organising the silk industry in that country, for service in the State and enquires whether the firm can enter into definite negotiations with him

NOTE—Contn. sheet.

GPE—6,000—17-6-12.

Serial No.

on behalf of the Punjab Govt.

(19) Mr Padshah's letter of the 30th Sept goes into details of business management that might be made if a silk mill is to be started. He offers to consult his principals about selection of experts if the general lines are approved.

(20) Mr Sethna's letters of the 3rd & 10th Oct deal with the silk & paper industries. In the letter of the 3rd Oct valuable advice is given as to the steps to be taken to prepare for the silk industry.

(21) It is suggested that the first thing to be done is to create "Silk farms for rearing cocoons on a large scale & factories for reeling silk therefrom", & ~~that~~ it is added that "if this can be achieved in the next ten years we shall have taken a great step forward". The employment of an expert for silk worm rearing & silk reeling is suggested. In the letter of the 10th Oct one Mr Jerail is recommended

NOTE—Contn. sheet.

GPB—65,000—7-6-12.

G. R. S. 12]

General and Revenue Secretariat.

G. R. File No. 67 of 1913-14

Serial No.

(26) Subs to 2nd Cr

CSS
27/11/13

(27) As regards silk industry, we may well await the arrival of Sjt Dwarkadas, who I believe will not be long in arriving here.

(28) As regards investigation carried on by Imperial Industry. Will they get the C. enquiries done by their Calcutta staff - in the matter of employing Mr. Raitt, Director of Industries expert in expediting our trade. If we want to do anything in this business, there is nothing like availing ourselves of the services of the best man available in India.

Well

(29) 27/11

Sr V.

Please put up a draft reply to Messrs Tata about the Silk business expressing thanks for trouble taken & suggestions offered - Say that we are employing an expert to encourage weaving weaving industry &c &c.

CSS
28/11/13

(30) Sjt subd

Sr BR 29/11 (33) Secretary

1.12.13.

Fair draft please Mr 29.11.13.

NOTE—Contn. sheet.

(32) Attended to Sr 1.12

GIP—65,000—17-6-12.

General and Revenue Secretariat.

G.M. File No. 67 of 1913-14.

Serial No.

(34) Sub' to 2nd C' + Dewan.

(35) Re draft-letter noted. 4/12/13
Have perused + may be approved
as
3/12

6376
3/12/13

(36) Draft altered and approved by Dewan
20.12.13.

(37) Issue
20/12
22/12

To
B. J. Padshah Esq
Nawsari Buildings. Bombay.
No: G4418 Dt 30.12.13.
Conveys thanks of Govt. for the
suggestions offered re the development
of Silk industry in the State.

NOTE—Contn. sheet.

(1)

C. 2091/D 2nd Sec.

G.M. 64-13-45

Sir

I am directed to address you on the subject of starting a Silk mill in Mysore, a subject about which there has been an informal exchange of views between Mr. Gibbs and the Dewan.

You are no doubt aware that Sericulture is an important industry in the State and that it is capable of great development and expansion. The Government of Mysore have been devoting attention to this important question for sometime past, and have under contemplation measures calculated to ensure a steady and growing output of raw silk.

A further and necessary development which the Government have in view is the starting, in the course of a few years, of an up-to-date Silk mill financed by local capital, as far as possible, to work up the raw material available in the country into finished products. If a mill

(2)

is started at a suitable place between Bangalore and Mysore it will perhaps be possible for the Government to take Electric power to the site at a reasonable cost. If an expert is necessary to make the necessary preliminary investigations and prepare a project Government would be prepared to pay his expenses. Government have every reason to hope that if a sound proposition is placed before the public, local capital would be readily invested in the business.

The Government would be glad if - - your firm would interest itself in the - - matter and ~~do all that is necessary to bring the desire of Government to a successful issue.~~ take steps to make the preliminary enquiries & place a practical scheme before Govt.

If the proposal is agreeable to you, I shall be glad if, in the first place, you can furnish me with an estimate of - - what the expert would cost, etc. With that information before them, Government will communicate with you as to a definite understanding in the matter and the future action to be taken.

I have etc.

To
J. A. Paddock Esqr., M.A.,
Messrs Tata Sons Ltd.

26 f. 13

UB/26/8/13 RG

D 27/424

TATA SONS & Co

Telegraphic Address:-
"TATA"

CODES { A1. ABC. & WESTERN UNION.

Navsari Buildings. Fort.
Bombay. 30th. September 1913.

To,

C. S. Balasundaram Iyer, Esq:, B.A.

Secretary to the Government of His Highness the Maharaja of Mysore,
Departments of Education, Agriculture, Industries and Commerce.

BANGALORE.

Dear Sir,

I regret that I have delayed replying to your favour of the 2nd.inst.

The delay arose from my inability to obtain the opinion of my Principals, none of whom just now is in Bombay.

Under the circumstances, I am afraid, I must only offer my own opinions, and those without responsibility, until such time as I can get them confirmed by my Principals, which I shall proceed to do, if my opinions obtain approval of your Divan Saheb.

II

The starting of a Silk Weaving Factory in Mysore should not be a matter of difficulty, if the proper quality of silk is obtainable. This much may be taken to be proved by the experience of two silk mills in Bombay.

At the same time, I understand that the said mills are not progressive, and that if you want an uptodate concern you would do well to take expert opinion.

Unfortunately that expert opinion is not easy to be obtained. To be advised on a silk mill you need to get considered several aspects by

30th.September 191[illegible].

T. S. Balasundaram Iyer, Esq:, B.A.

Secretary to the Government of His Highness the Maharaja of Travancore,
Departments of Education,Agriculture,Industries and Commerce.

BANGALORE.

Dear Sir,

I regret that I have delayed replying to your favour of the 2nd.inst.

The delay arose from my inability to obtain the opinion of my Principals, none of whom just now is in Bombay.

Under the circumstances, I am afraid, I must only offer my own opinions, and those without responsibility, until such time as I can get them confirmed by my Principals, which I shall proceed to do,if my opinions obtain approval of your Divan Saheb.

II

The starting of a Silk Weaving Factory in Travancore should not be a matter of difficulty, if the proper quality of silk is obtainable. This must may be taken to be proved by the experience of two silk mills in Bombay.

At the same time I understand that the said mills are not prosperous, and that if you want an upto-date concern you would do well to take expert opinion.

Unfortunately that expert opinion is not easy to be obtained. To be advised on a silk mill you need to get considered several aspects by

by several experts, and in any case the available experts are few.

The selection, therefore, of an expert will be a matter of difficulty. The Tata organization is new to this line, and can only offer the advantages of its connections in the matter of selection. The American firm of Messrs. Tata sells in New York silk imported from Japan, and their ~~their~~ French firm at Paris has had some connections with the Lyons silk weavers. The Tata Bangalore Farm had connections with Japanese silk reelers. Probably the best silk experts would be in Zurich, and there the Tatas have no special connections except through correspondents. But still the Tata organization is more likely to come into touch with the best experts than perhaps any other organization.

As soon as you authorize us I think our Bombay office will gladly communicate with its London, Paris, New York and Osaka offices for recommendations of such an expert. These offices will be requested to take ~~xx~~ some trouble to get into touch with recognised silk experts and silk manufacturers, and also with such general experts as Sir Thomas Holland to advise where to go.

I think the procedure should be that a man might be appointed at first to explain what sort of information would be necessary to be placed before him and what sort of data he would require. Your Government, then would, through your Technological Department and through the Salvation Army Silk Farm, be able to bring together such data and present them to the expert. The expert would then say what more he requires before he comes out or if he needs to come out at all.

We should work up in our office financial and commercial data, that is, the capital required, the sort of market, prices, wages and the actual profits made by the two mills on their present data.

III

It would be my suggestion as at present advised, that if the expert advise be favourable, and if you have or can buy the necessary silk, and if you can find market for your cloth at distances not prohibitive, that y

several experts, and in any case the available experts are few.

The selection, therefore, of an expert will be a matter of difficulty. The Jata organization is new to this line, and can only offer the advantages of its connections in the matter of selection. The American firm of Masars. Jata sells in New York silk imported from Japan, and their French firm at Paris has had some connections with the Lyons silk reservers. The Jata Bangalore firm had connections with Japanese silk reelers. Probably the best silk experts would be in Lyons, and there the Jatas have no special connections except through correspondents. But still the Jata organization is more likely to come into touch with the best experts than perhaps any other organization.

As soon as you authorize us I think our London office will clarify communicate with its London, Paris, New York and Osaka offices for recommendations of such an expert. These offices will be requested to take no more trouble to get into touch with recognised silk experts and silk manufacturers, and also with such personal enquiries as the Lyons people to advise where to go.

I think the procedure should be that a cable might be dispatched at first to explain what sort of information would be necessary to be placed before him and what sort of data he would require. Your Government, then would, through your Technological Department and through the Salvation Army Silk Farm, be able to bring together such data and present them to the expert. The expert would then say what more be required before he come out or if he needs to come out still.

He should work up in our office financial and commercial data, that is, the capital required, the cost of market, prices, wages and the actual profits made by the two mills on their present data.

III

It would be my suggestion as at present advised, that if the expert advise favourably, and if you have or can buy the necessary silk, and if you can find market for your cloth at distances not prohibitive, that y

(5

that you should think of a silk mill with a capital of about thirty to forty lakhs. This is only on the general principle that a small textile mill today is not able to adopt the most progressive devices, and also on the obvious principle that a small factory cannot be so self-contained as a large factory. But it may be that expert advice may show that in the particular business of a silk factory, a smaller factory may be more serviceable than a large factory.

Over and above the initial construction capital, there will be required perhaps twenty lakhs of working capital, and the availability of working capital has to be made certain from the start or the mill will be as likely to get into difficulties as not.

My suggestion is that your Durbar should offer to underwrite at the proper time the full construction capital required, and also to give the Durbar's joint signature at the Bank of Madras for any working capital required upto twenty lakhs.

It seems to me that the Durbar should receive from the Silk Co. 2% underwriting commission, and all the capital not subscribed by the public in different parts of India including Mysore would then have to be taken over by the Mysore Government. The chances are that atleast two-thirds of the capital would be found by the public, and that the Mysore Government might have to retain to dispose of by actual sale about ten lakhs of shares. The shares would, owing to the underwriting commission, come to about 6 % discount to the Mysore Government, and the gradual sale of them in the market wought not to be difficult afterwards. In any case, the ten lakhs would not have to be found till after three to five years from now.

It seems to me also that for the service of giving its signature to the Madras Bank accounts for working capital, the Mysore Governmnt should be compensated by a ½% on all such sums guaranteed.

Such arrangements insure that the finance of such a mill should offer no difficulty.

that you should think of a silk mill with a capital of about thirty to forty
lakhs. This is only on the general principle that a small textile mill to-
day is not able to adopt the most progressive devices, and also on the ge-
neral principle that a small factory cannot be so self-contained as a large
factory. But it may be that expert advice may show that in the particular
business of a mill factory a smaller factory may be more commendable than
a large factory.

Over and above the initial construction capital there will be requir-
ed perhaps twenty lakhs of working capital, and the availability of working
capital has to be made certain from the start or the mill will be as likely
to run into difficulties as not.

My suggestion is that your Bunder should offer to underwrite at the
proper time the full construction capital required, and also to give the
Bunder's joint of mixture at the rank of Rupees for any working capital re-
quired upto twenty lakhs.

It seems to me that the Bunder should receive from the mill, Rs. 2½
underwriting commission, and all the capital not subscribed by the public
in different parts of India including Bypore would then have to be taken
over by the Bypore Government. The chances are that a fourth two-thirds of
the capital would be found by the public, and that the Bypore Government
might have to retain to disposes of by actual sale about ten lakhs of shares.
With these would, owing to the underwriting commission, come to about 8 p
discount to the Bypore Government, and the gradual sale of them in the ma-
ket would not to be difficult afterwards. In any case the ten lakhs would
not have to be found till after three to five years from now.

It seems to me also that for the service of giving its signature to
the Bunder Bank accounts for working capital, the Bypore Government should be
compensated by a % on all such sums guaranteed.

Such arrangements insure that the virtues of such a mill should be
realised efficiently.

difficulty.

IV

If the Mysore Government so choose, instead of guaranteeing the working capital they may lend about twenty lakhs at 4½% (four and a half percent on Debenture Mortgage to the Silk Mill, on the express condition that this money could be used only as liquid working capital.

In order that the Mysore Government may not think that its money is being played with, it would necessarily wish that the mill should be managed by reputed agents. I understand from Mr. Gibbs and from your letter that the Durbar would wish that the Tata Office should undertake such an agency. I myself think that no better choice can be made. But just now Tata commitments in industry are very large, their credit as well as their money are at stake in the matter of the Steel Co. and the Hydro-Electirc Co. As soon as these are fairly and obviously successful, other things planned before have to be considered. I, therefore, fear that it will not be easy to persuade my Principals to look favourably the agency proposition. Still in my opinion the Tata Office cannot and ought not to shirk any work entrusted to it by your Durbar, and also in my opinion, from the point of view of the Tata Office itself there are advantages in carrying this business through.

V

If, on careful consideration, you decide on a plan based on the opinions above expressed, I shall put myself entirely at the service of the Maharaja and the Divan to see what effect can be given to the just and generous wish of your Government to endow your state with a silk factory.

VI

We have a well organised firm in London of which the Managing Director is Mr. Treble, a former Manager of the Bombay branch of the Bank of Bengal. It is Mr. Treble's suggestion that our London firm may be of use to the Native States in connection with ourselves, to whom a clean buying agency in Europe may be very

IV

If the Vasco Government so choose, instead of guaranteeing the re-
ing capital they may lend about twenty lakhs at say four and a half per cent.
. Dobsbury's portage to the bill. It, on the express condition that the
money should be used only as liquid working capital.

In order that the Vasco Government may, of their own free
being played with, it would necessarily wish that the bill should be guar-
nd by reputed agents. I understand from Mr. Gibbs and from your Bombay
ts. Messrs. Burban would wish that the Data Office should undertake
ey. I myself think that not better choice can be made. But just no
ets commitments in industry are very large, their credit as well as their
money are at stake in the matter of the steel Co. and the Hydro-Electric
Co. As soon as those are fairly and [illegible] successful other things
planned before them to be contemplated. I, therefore, feel that it will
not be easy to reconcile my principals to look favourably the proposi-
tion. I will in my opinion the Data Office cannot and ought not to claim
any such entrusted to it by your Durbar, and also in my opinion, from the
point of view of the Data Office itself there are advantages in the pro-
posed business through.

V

If, on careful consideration, you decide on a plan based on the
opinions above expressed, I shall put myself entirely at the service of the
Bharata and the given to see what effect can be given to the just and
generous wish of your Government to enter your state with a full feeling.

VI

We have [illegible] operating firm in London of which the American firm
[illegible]. Probably a former manager of the bank of Portugal. It is not
[illegible] opinion that one London firm may be of use to the native [illegible]
[illegible] with ourselves, to whom a closer buying agency in Europe may be

very welcome. My Principals do not wish to lay themselves out for this business, but here again, if the Divan thinks the Tata organization could be of use, I shall strongly recommend my Principals to allow our London organization to do this work for you.

I remain,

Yours sincerely,

B J Padsha

BJP/D

DIARY No. 2988

TELEPHONE 237-00

TATA SONS & Co

ADRESSE TÉLÉGRAPHIQUE FRATERNITÉ
CODES A.I. PREMIER WESTERN UNION
MAISON PRINCIPALE BOMBAY
RANGOON, SHANGHAI KOBE, OSAKA YOKOHAMA LONDON, NEW-YORK

1913-1914

52, Rue Laffitte

Paris, le 3rd October 1913

DEWAN'S OFFICE.
Date of Receipt 10-13
Petn. Regr. No 1653

M. Visvesvaraya Esq.

Dewan, Mysore State,

Bangalore, South India.

Dear Sir,

We had recently the pleasure of a visit from your Mr C. R. Reddy, who informed us that the Mysore State was desirous of turning its vast natural resources to commercial use, and that it had been decided to introduce silk-reeling, paper-making and the extraction of oil from sandal-wood in the first instance. Mr Reddy told us your Government wanted to secure experts who could go out to report on the possibilities and on the form to be given to the respective enterprises, and later on to direct the factories that may be constructed. We have been actively inquiring for the right sort of men, and have good hopes of securing them for silk and paper. That for sandal-oil seems more difficult, as the processes are very carefully guarded a secret, and we find it difficult to make much progress, but we hope to get some information at an early date.

Before proceeding further in the matter of the silk and paper experts, we beg to draw your attention that under the rules in force at present, the previous sanction of the Governmen of India is necessary to the employment of an European in the nat native states, and we trust the necessary steps will be taken

to get the sanction in advance of the engagement of the experts. We shall also be glad to know what remuneration your Government is prepared to give for the services of such experts. So far as we can learn a suitable man in silk will require at least

Rs 1000 to 1200 a month plus free lodging and suitable travelling expenses,

while in the case of paper, it will be perhaps somewhat less. We shall feel much obliged if you will kindly inform us whether your Government is willing to engege men on these terms, as it will help us greatly in our negotiations.

Silk -- Mr Reddy spoke of creating the whole industry from the rearing of cocoons to the weaving of fine silk stuffs. It seems to us that the first step will naturally be, at least for the first few years, to create a large and steadily increasing supply of the raw material viz: raw silk, and that of a steady and reliable class, size and grade. Silk weaving requires not only very expensive plant, but labour trained to the superior delicate touch necessary in silk, and as this latter cannot come in a day, it seems to us that the first step will be to create

silk farms for rearing cocoons on a large scale, and factories for reeling silk therefrom

If this can be achieved in the next ten years, we shall have taken a great step forward. Japan, with its decades of experience of the silk industry, still occupies itself principally in reeling silk, that it exports to Europe and America as such.

Paper-making -- One of the parties we approached for information told us Mr Reddy had already been to him, and that he had already written to you. We have seen other people also well versed in this line, and find that paper-making is a very different process according to the kind of paper we want to make, and the material we want to use. The kind of factory will be different too. So far as we understand at present, the various kinds are :

Paper from straw of wheat etc -- This is a comparatively very simple process, and will not require very elaborate machinery nor big capital. A small factory to deal with 10 to 15 tons of paper per day will cost about Rs 200000 for the machinery so that the whole concern can be floated and worked within Rs 500000. As straw must be abundant and cheap in your State, as well as surrounding British territory, this might be a good thing to make a start with. The paper produced will not be writing or printing paper but what is known as brown paper (for wrapping purposes) and straw-boards of which large quantities are imported into India even from Japan.

Paper from Wood-Pulp -- Here there are two kinds:

Mechanical pulp and chemical pulp

Mechanical Pulp -- This is wood cut up by special machinery into very small filaments. It forms the principal part of the inferior kind of white paper used in popular cheap newspapers. The machinery is more elaborate than for straw, but still simpler than for chemical pulp. Even for such inferior paper

as is in question here, some chemical pulp about 15 to 20 % is still necessary, but we are advised that it will be most economical to import it, and we explain below why.

Chemical Pulp -- This is wood pulp boiled and treated with various chemicals, which gives it consistency and tensile strength, which straw-boards for example lack. The processes are long and require elaborate machinery and an expensive plant, and it has to be worked on a big scale to turn out the pulp at commercially practicable prices.

We are now looking for a suitable expert to go out, but we are advised that much time and money will be saved if we get more precise information on the following heads.

1. The kind of raw material available -- It seems all trees or all bamboos do not give suitable pulp. Will it be possible to give us the names of the kind of tree that you intend to have used as raw material ? French names would be a great help, but failing these the ordinary English names, and the botanical designations will serve.

2. The kind of paper which it is intended to make. (Here we presume the idea will be to produce what is now most largely imported into India from Europe, and which at the same time presents the fewest technical difficulties, i.e. straw-boards, wrapping paper, and the very ordinary printing paper used for newspapers and cheap books.

3. The size most ordinarily required, (because the size of the paper-making machines will depend on this).

4. Will there be any large quantities available of rags or of Jute and gunny waste.

5. Coal -- At what price per ton can this be laid down Is it intended to burn wood fuel, and how does it compare with coal per ton. We understand that roughly it will be one ton of coal equal to three tons of wood fuel. What will such wood fuel cost. In paper making, a large quantity of steam is necessary and hence coal or fuel must be used to produce it.

One of our friends here has suggested that the best way will be to get up a rough scheme, and send it out to India to be corrected on the data obtainable on the spot. It will also be necessary to know what kind of paper is intended, as the choice of an expert will depend on that. As we say above the Chemical Pulp and the sperior kind of paper require high technique, and our friends advise that it is hardly necessary to go so far in the initial stage. The object should be to make something which is simple and which has an assured large market, so that there may be reasonable assurance of its being a commercial success, when the next stage will follow in due course.

We hope to wait upon you with further news in a couple of weeks, and meanwhile beg to remain,

your obedient servants,

TATA SONS & Co
ADRESSE TÉLÉGRAPHIQUE:
FRATERNITÉ
CODES-A.I.-PREMIER
WESTERN UNION
MAISON PRINCIPALE
BOMBAY
RANGOON, SHANGHAÏ
KOBE, OSAKA YOKOHAMA
LONDON, NEW-YORK

DIARY No. 2989

TÉLÉPHONE 237-00

SECTION 52, Rue Laffitte

FILE No. Paris, 10th October 1913

DEWAN'S OFFICE.
Date of Receipt 26.10.13
27
Petn. Regr. No. 1654

M. Visveswaraya Esq
Dewan, Mysore State,
Bangalore, South India.

Dear Sir,

Silk Expert

We beg to confirm our lines of the 3rd inst, and now beg to submit for your consideration the following as the right man for silk :

The gentleman in question has been recommended to us by our Lyon friends who have very good connections in the silk trade bot raw and manufactured. He is one, Mr Emile Tarrail, and has passe practically all his life in the line.

Born in 1870 he got employment in the filature of Messrs Chabert & Co in this country and here he passed 4 years. Then he had to pass into the army for his term of compulsory military ser vice.

On finishing his military service, he was engaged as an ass tant manager in 1893 in the filature of Messrs Louis payen & Co in Spain, where after a few years he became manager.

He left this filature in 1903 to join the firm of Terrail Payen & Co, as the manager of their filatures and to suprintend t purchases of cocoons for them in Italy. There were six filatures

In 1908, he started on his own account and worked two fila-

tures himself, but having made losses, he gave it up, and again became manager of a filature of Messrs Terrail Payen & Co.

At present, he is in Roumania, to organise the cultivation of silk in that country, from the planting of mulberry trees to the rearing of worms, and reeling of silk.

As you wish for exactly such a man as can organise the industry in Mysore, we believe Mr Terrail will suit. He speaks only Italian and Spanish besides French, but we believe he could easily pick up a working knowledge of English in India.

He is shortly expected to be back from Roumania, and will we believe agree to go out to India. Kindly let us know as early as possible whether we can enter into definite negotiations with him on behalf of the Mysore State, and if so what conditions you are willing to offer,

G.R.S. 26]

File No. 67
Serial No. 154

Diary No. of letter replied to

No. G 4918

General and Revenue Secretariat

( )

, the *19* .

Issue 30/12/13

Signed by Mr CS Balasundaram

To

B. J. Padshah, Esq.,
c/o Messrs Tata Sons and Co.
Navsari Buidings,
Fort, Bombay.

Sir,

Letters dated 2rd and 10 th October 1912 from Mr. Setna of the Paris Branch of Messrs. Tata Sons & Co. , 52, Rue Lafiitte, Paris.

Referring to your letter of the 30th September last and the marginally noted communications, I am directed to convey the thanks of the Government for the trouble you have taken and the suggestions you have offered in the matter of the development of the silk ~~and other~~ industries in

over.

SUBJECT.

the State.

The subject is engaging the attention of [illegible]

In pursuance of a line of action similar to what has been suggested by your ~~Govt~~ Paris firm Government have now engaged the services of an Italian expert for encouraging the rearing of healthy worms etc, and otherwise improving the silk industry in the State, so as to secure a continuous and large supply of cocoons and raw silk. Government ~~will~~ intend to wait for some time for the results of these developments and when there is an assured supply of the raw material they will take up the matter of silk weaving on a large scale. I shall then communicate with you and trust you will give us the same ready courtesy and willing assistance which you have shown on the present occasion.

I have etc.

CSB

Secretary.

20.12.13

List of enclosures,

Copied by 24/1

Examined by

GPB—10,000—28-2-11.